

■ GUARANTY TRUST ■



CONTENTS

Foreword	1
Directors, Officers & Professional Advisers	2
Notice of Annual General Meeting	3
Results at a Glance	4
Chairman's Statement	5
Directors' Report	10
Report of the Audit Committee	14
Auditors' Report	15
Statement of Accounting Policies	16
Balance Sheets	18
Profit & Loss Accounts	19
Statement of Cash Flows	20
Notes to the Financial Statements	21
Statement of Value Added	38
Five-Year Financial Summary - Group	40
Five-Year Financial Summary - Bank	41
Board of Directors	42
Shareholders' Information	44
Proxy Form	45
Corporate Information	47
Corporate Directory	48



THE FUTURE IN FOCUS

Breaking new paths and creating landmarks seem to have become an integral aspect of how we do business in Guaranty Trust Bank. In 1996, we became the first bank in the country (wholly owned and managed by Nigerians) to publish a Billion Naira profit before tax. In the year 2001 we've again raised the stakes by hitting the two billion Naira mark, ahead of our peers.

Over the past five years, while we continued to earn positive results, it may have appeared that we had reached a plateau in terms of profitability and performance. Rather than standing out sharply as the clear leader we seemed to be defending a position as "one of the best". This was our planting time... the time we took the silent but bold steps required to "bring to life" our next phase of growth. We remain grateful for the confidence you reposed in us during this period.

The outcome of this process is an institution that works better for you. One that has been infused with the desire and determination to win at all times. We have harnessed growth opportunities in the areas of: Market Expansion, Customer Acquisition, Customer Retention, and Continental Expansion (i.e. the Gambia). We have continued to develop our people into a crop of world-class professionals selected on the basis of intellect and integrity. We are progressing into our season of harvest.

Yet in growing we have remained faithful to our way of doing business: the way of ethics, integrity and professionalism. This has been a challenging path to follow, especially at times when the signals in our immediate environment may have suggested that it was easier to do business the other way.

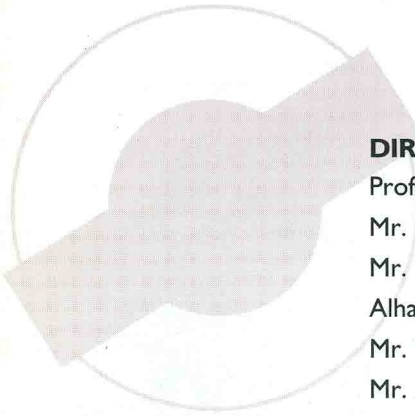
As we look confidently into the future, we focus on nurturing a truly Nigerian Institution that measures positively against international benchmark. We will continue to fulfil our promise of delivering superior value service to you.

We will not relent.

Fola Adeola
Managing Director/Chief Executive

"...We have remained faithful to our way of doing business: the way of ethics, integrity and professionalism...
...We will not relent."

DIRECTORS, OFFICERS & PROFESSIONAL ADVISERS



DIRECTORS

Professor Mosobalaje O. Oyawoye	-	Chairman
Mr. Tajudeen A. Adeola	-	Managing
Mr. Olutayo Aderinokun	-	Deputy Managing
Alhaji Mohammed K. Jada		
Mr. Victor G. Osibodu		
Mr. Adetokunbo B. Adesanya		
Owelle Gilbert P. Chikelu		
Mr. Olusegun J. K. Agbaje	-	Executive
Mr. Aigboje Aig-Imoukhuede	-	Executive
Mr. Herbert O. Wigwe	-	Executive

COMPANY SECRETARY

Mr. Kolapo B. Omidire

REGISTERED OFFICE

Plural House,
Plot 1669, Oyin Jolayemi Street,
Victoria Island,
Lagos.

AUDITORS

Arthur Andersen
22a, Gerrard Road,
Ikoyi,
Lagos.

REGISTRAR & TRANSFER OFFICE

United Securities Limited
Niger House (5th Floor),
3/5, Odunlami Street,
Lagos.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting of **GUARANTY TRUST BANK PLC** will hold at the Banquet Hall, Le Meridien Eko Hotel, Victoria Island, Lagos, on Wednesday, 16th May, 2001, at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended 28th February, 2001, and the reports of the Directors, Auditors, and Audit Committee thereon.
2. To declare a dividend.
3. To re-elect Directors.
4. To authorise the Directors to fix the remuneration of the Auditors.
5. To elect/re-elect Members of the Audit Committee.

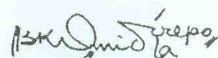
SPECIAL BUSINESS

- A. To consider, and if thought fit, to pass the following resolutions as ordinary resolutions:
6. "That the Directors' fee for the year ending 28th February, 2001, be and is hereby fixed at ₦4,550,000."
 7. "That the authorised share capital of the Bank be and is hereby increased from ₦750,000,000 to ₦1,000,000,000 by the creation of additional 500,000,000 Ordinary shares of fifty kobo each, ranking pari passu in all respect with the existing Ordinary shares of the Bank."
 8. "That the Directors be and are hereby authorised pursuant to Article 41 of the Bank's Articles of Association to issue, at a date to be determined by the Directors, a maximum of 500,000,000 Ordinary shares of 50 kobo each, ranking pari passu with the existing shares of the Company, except that the shares shall not rank for the dividend declared at the annual general meeting held on 16th May, 2001, and the Directors are further authorised to determine the allocation of the said shares as between Public Issue or Rights Issue or both of them, subject to the approval of the appropriate authorities."
- B. To consider, and if thought fit, to pass the following resolution as special resolution:
9. "That the Memorandum and Articles of Association of the Company be and is hereby amended by deleting clause 6 of the Memorandum and article 5 of the Articles, and substituting for each of the said clause and article, the following: "The share capital of the Company is ₦1,000,000,000 divided into 2,000,000,000 Ordinary shares of fifty kobo each."

PROXY

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. For the appointment to be valid, a completed and duly stamped proxy form must be deposited at the office of the Registrar, United Securities Limited, Niger House, 3-5, Odunlami Street, Lagos, not less than 48 hours before the time fixed for the meeting. A blank proxy form is attached to the Annual Report.

BY ORDER OF THE BOARD



KOLAPO Omidire
Company Secretary
Plot 1669, Oyin Jolayemi Street,
Victoria Island,
Lagos.

17 April, 2001

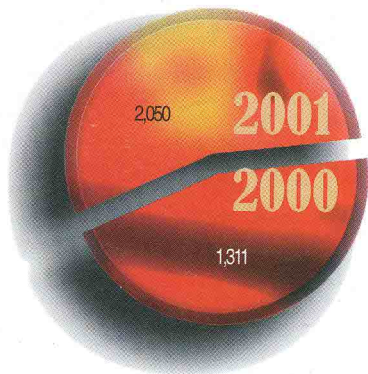
NOTES:

1. **Dividend**
If approved, a dividend will be payable on 16 May, 2001, to shareholders whose names are registered in the Register of Members at the close of business on 26 April, 2001. Dividend Warrants will be posted on 16 May, 2001.
2. **Closure of Register**
The Register of Members will be closed on 27 April, 2001, to enable the Registrar prepare for the payment of dividend.
3. **Audit Committee**
In accordance with section 359(5) of the Companies and Allied Matters Act, 1990, any shareholder may nominate a shareholder for appointment to the Audit Committee. Such nomination should be in writing and should reach the Company Secretary at least 21 days before the Annual General Meeting.

RESULTS AT A GLANCE

	2001 N' million	GROUP 2000 N'million	Increased %	2001 N'million	BANK 2000 N'million	Increased %
Major Profit and Loss Account Items						
Gross Earnings	7,110	5,519	29	6,841	5,312	29
Profit before tax	2,153	1,361	58	2,050	1,311	56
Profit after tax	1,605	1,053	52	1,504	1,018	48
Dividend paid and proposed	600	495	21	600	495	21
Major Balance Sheet Items						
Deposit Liabilities	24,139	15,446	56	24,140	15,462	56
Loans & Advances	12,073	8,087	49	12,073	8,087	49
Total Assets	45,472	35,597	28	40,820	32,079	27
Shareholders' Funds	4,124	3,117	32	3,941	3,037	30
Earnings per share	107k	69k	55	100k	68k	47
Dividends per share	40k	33k	21	40k	33k	21
Return on average equity (%)	44	37		43	37	
Number of employees	347	334	4	316	310	2
Net Earnings per employee (N'000)	12,603	9,094	28	12,988	9,132	42
Number of branches	-	-	-	21	12	-

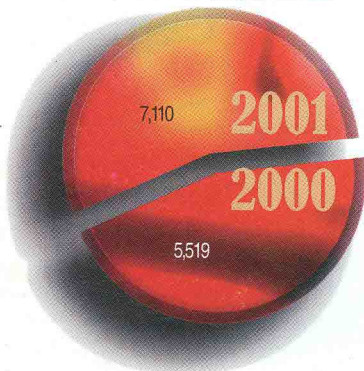
Bank's Profit Before Tax (N'million)



Bank's Total Assets (N'million)



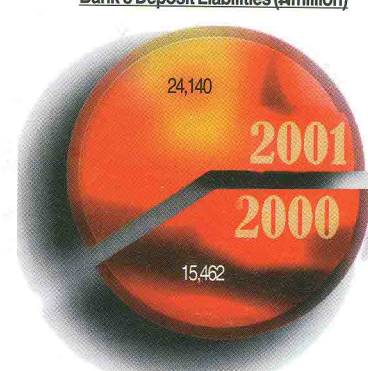
Group's Gross Earnings (N'million)

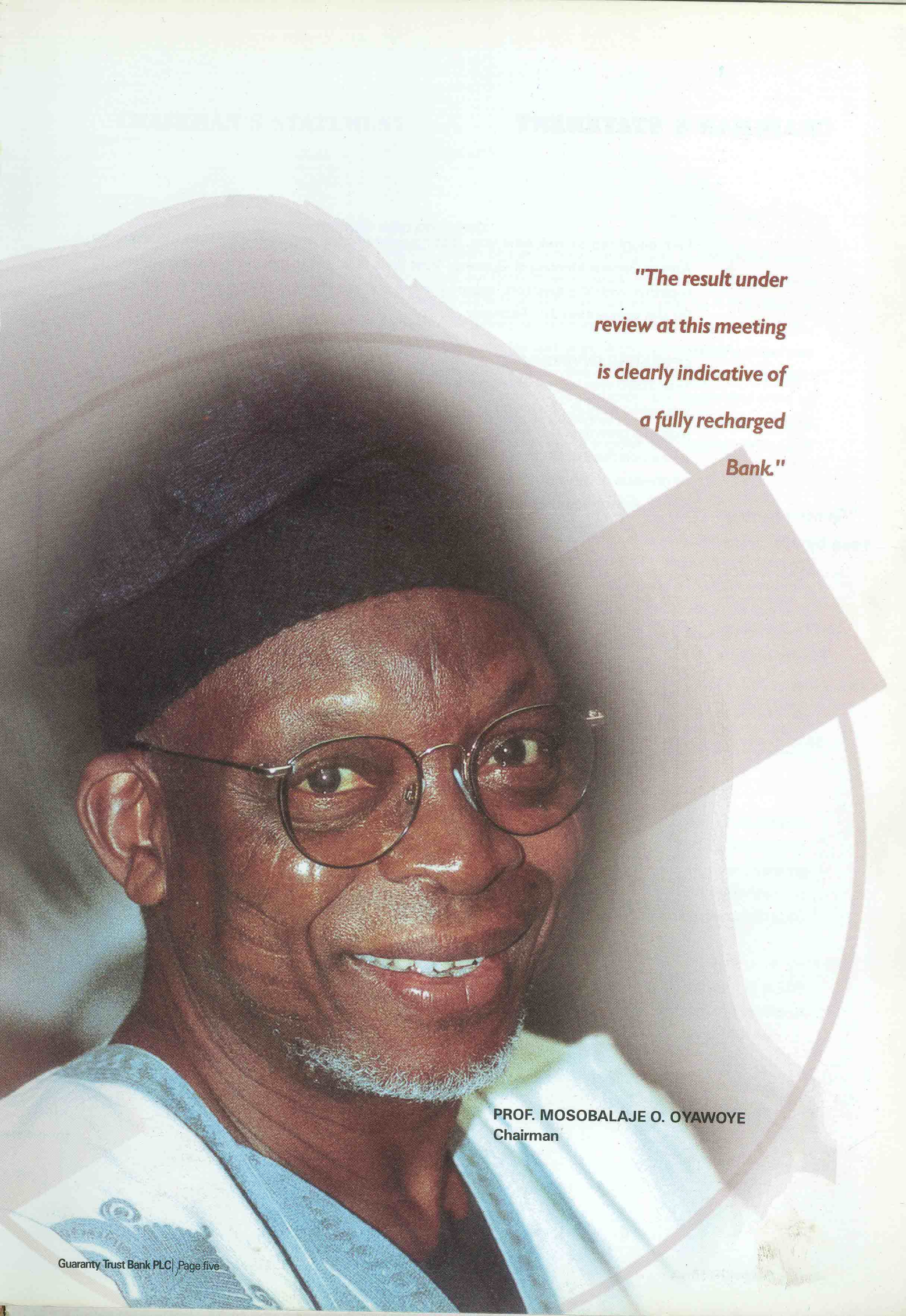


Group's Earnings per share (kobo)



Bank's Deposit Liabilities (N'million)




A close-up portrait of Prof. Mosobalaje O. Oyawoye, an elderly man with a grey beard and glasses, wearing a blue patterned shirt. The background is a light, textured surface with a large, faint circular graphic element.

***"The result under
review at this meeting
is clearly indicative of
a fully recharged
Bank."***

PROF. MOSOBALAJE O. OYAWOYE
Chairman

CHAIRMAN'S STATEMENT



I am delighted to welcome you, distinguished ladies and gentlemen, to the eleventh Annual General Meeting of Guaranty Trust Bank PLC, and to present to you my statement, together with the directors' report and the audited financial statements for the group, for the year ended 28th February, 2001.

OPERATING ENVIRONMENT

Year 2000 was largely characterised by relative macro-economic stability. Oil revenue increased from ₦739 billion in 1999 to ₦908 billion. Inflation declined by 3%, while a marginal growth of 0.3% was recorded in GDP over the 2.7% reported in 1999. However, these positive developments were not reflected in the real sector of the economy. Non-oil revenue declined by 6%, relative to the 1999 figure. Capacity utilization was at best static, a clear result of the worsening state of infrastructural facilities, which over the years have remained in a deplorable condition.

"Gross earnings rose by 29% from ₦5.3 billion last year, to ₦6.8 billion. Profit before taxation at ₦2.05 billion was 56% higher."

For the financial services sector, the market was highly volatile. Year 2000 started with inter-bank call rates averaging 17% in March, due to illiquidity. But with the release of statutory allocations in June, inter-bank rates fell as low as 2.5%. Treasury bill rate slumped from an average 16% to 9%, only for the inter-bank rate to rise again as high as 19% in August and September, when excess liquidity was mopped up through primary treasury bills and open market operations auctions. As the Naira witnessed persistent pressure, IFEM demand grew from USD 342 million in April to USD 697 million in July, but fell as low as USD 469 million in August. Naira value consistently declined against increasing demand for foreign exchange.

Through a circular of the Central Bank of Nigeria released in December 2000, universal banking was formally inaugurated and all banks were, in due course, requested to submit their licences for newly issued banking licences. The new licence permits them to provide services in the money and capital markets, clearing house activities and insurance, as well as any other service which may be permitted by the Governor.

The foregoing created a new wave of competition in the sector which was further heightened by the fact that old banks, which were hitherto moribund, received new life through recapitalisation by new investors. Moreover, government commenced issuance of licences to new banks.

CHAIRMAN'S STATEMENT, CONT'D.

OPERATING RESULTS AND DIVIDEND

Notwithstanding the volatility which characterised the industry in the period under review, I am pleased to report that our Bank attained another significant milestone in its history. Gross earnings rose by 29% from ₦ 5.3 billion last year, to ₦ 6.8 billion at the end of this financial year. Profit before taxation at ₦ 2.05 billion was 56% higher than the figure of ₦ 1.3 billion reported for last year. Although operating expenses exceeded the figure reported last year by 35%, this is attributable to the increased volume of business undertaken this year. More importantly, the deplorable state of infrastructure in the country continued to impose additional cost on the business because the Bank had no option than to provide alternatives or supplement existing services, in order to serve its customers effectively.

Furthermore, it is important to mention that staff-related expenses constituted a significant part of the cost, with staff-training expenses alone accounting for 8% of total operating expenses. This is an imperative, given our Bank's commitment towards ensuring that its employees acquire the highest level of knowledge and skills necessary for their duties, wherever and whenever such could be obtained. Balance sheet at ₦ 40.8 billion was 27% higher than the figure of ₦ 32 billion recorded for the corresponding period last year.

The result under review at this meeting is clearly indicative of a fully recharged Bank and on behalf of the Board and Management, I assure you that efforts will be redoubled in the pursuit of our commitment to add value to all stakeholders in our Bank's operations and business.

In the course of last year, your Directors had authorised the payment of an interim dividend of ₦180 million at the rate of 12 kobo per 50 kobo Ordinary share. The interim dividend was paid in November, 2000. At this meeting, the Directors are recommending for your approval an additional ₦ 420 million, to be applied in paying final dividend at the rate of 28 kobo per share, bringing total dividend to ₦ 600 million gross or 40 kobo per 50k ordinary share.

Finally, in compliance with the directive of the Federal Government, the sum of ₦ 205 million, being 10% of profit before taxation, is being appropriated from the profits of the year into a reserve for funding small and medium scale enterprises in Nigeria.

CHAIRMAN'S STATEMENT, CONT'D.

INCREASE IN THE BANK'S CAPITAL BASE

In order to enhance our Bank's capacity to effectively serve our chosen clientele, it is imperative to enhance our capital base and, by so doing, increase the shareholders' funds. With the advent of universal banking, there are emerging opportunities to expand operations into hitherto unexplored areas of the financial services industry. Unless the capital base is expanded, our Bank's ability to exploit these opportunities might be limited. Above all, a fresh injection of funds into the Bank's business will enable the Bank acquire the necessary infrastructure to strengthen its leadership position in the application of technology solutions to business, and also to facilitate the progress of the expansion programme commenced in the last financial year.

Consequent upon the foregoing, I urge you to support and approve the resolution being proposed at this meeting, to increase the share capital of our Bank by way of a public or rights issue, or a combination of both and, in due course, to participate in the exercise, which will further boost the capacity of our Bank to partake in the expanded activities of the financial services industry.

BOARD OF DIRECTORS

Permit me to once again acknowledge the support of my colleagues on the Board, both executive and non-executive. Their selfless dedication and commitment to the goals and objectives of our Bank cannot be overemphasized. On your behalf, I thank them for their efforts towards the growth and development of the Bank. I also pray that God will continue to increase their strength.

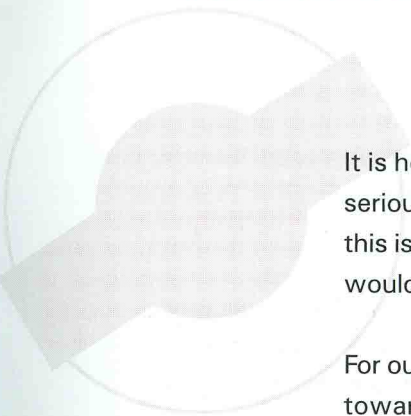
STAFF

On behalf of the Board and shareholders, I congratulate the employees of the Bank for the impressive results. I also thank them for the enthusiasm with which they perform their duties. The result of their unflinching commitment to the ideals of our organisation continue to reflect in the excellent results which we report on an annual basis. On your behalf, I assure the employees that our Bank remains committed to adding value to all of them as stakeholders in our common endeavour.

FUTURE PROSPECTS

In his presentation of the 2001 Budget to the National Assembly, President Olusegun Obasanjo explained that focus would be directed towards the promotion of investment in human capital development through a re-direction of expenditure on social development and poverty reduction, as well as the provision of incentives to the private sector, to act as a catalyst for growth.

CHAIRMAN'S STATEMENT, CONT'D.



It is hoped that the government will, in the current year, act in good faith and address seriously the decay which has become characteristic of the country's infrastructure. If this is done, the cost of doing business would be significantly reduced and productivity would, once again, record significant improvement.

For our Bank in the current year, the Board of Directors is strongly committed to working towards the creation of a stable and timeless institution, able to face challenges introduced by the global macro-economic environment.

To this end, I am pleased to report that with the approval of the Central Bank of Nigeria, we have in the last three months established nine branches in the major economic centres of Nigeria where, hitherto, we have had no presence. Branches of your Bank are now in operation in Benin, Enugu, Jos, Asaba, Uyo, Akure, Yenagoa, Ilorin and Maiduguri. We also have an approval for a branch to be located in Abeokuta, which is currently being developed, and would commence operations soon.

Furthermore, it is with joy that I report that we have just received the approval of the Central Banks of Nigeria and The Gambia to establish the first offshore subsidiary of our Bank in the Gambia. The Board and Management of your Bank will work assiduously to ensure that the subsidiary commences operations within the shortest time.

I assure you that your Board will continue the implementation of the Bank's growth strategy, which is constantly being fine-tuned to address the complexities of the ever-changing business environment. With God on our side, our Bank will, in due course, become a great institution with presence in major business centres in the world.

Thank you.



Prof. Mosobalaje O. Oyawoye

DIRECTORS' REPORT

For the Year Ended 28 February, 2001.

The Directors have pleasure in presenting their annual report together with the audited financial statements of the Bank and Group for the year ended 28 February, 2001.

LEGAL FORM AND PRINCIPAL ACTIVITY

The Bank was incorporated as a private limited liability company on 20 July, 1990. It obtained a licence to operate as a commercial bank on 1 August, 1990, and commenced business on 11 February, 1991. It became a public limited company on 2 April, 1996, and its shares were listed on the Nigerian Stock Exchange on 9 September, 1996. The Bank was issued a universal banking licence by the Central Bank of Nigeria on 5 February, 2001.

The Bank's principal activity continues to be the provision of commercial banking services to its customers. Such services include retail banking, granting of loans and advances, equipment leasing, corporate finance, money market activities and allied services, as well as foreign exchange operations. The Bank's only subsidiary, Asset and Resource Management Co. Limited, is engaged in funds and portfolio management services.

OPERATING RESULTS

Highlights of the Group's operating results for the year under review are as follows:

	2001 N'000	2000 N'000
Profit attributable to group shareholders	1,603,983	1,041,020
Transfer to statutory reserve	451,108	509,033
Dividend (paid and proposed)	600,000	495,000
Transfer to small scale industries reserve	205,032	-
Shareholders' funds	4,123,792	3,117,328
Earnings per share	107k	69k
Dividend per share	40k	33k

DIVIDENDS

The Board authorised the payment of ₦180,000,000 (12 kobo per share) as interim dividend in the course of the year, and now recommends for the approval of the shareholders the payment of a final dividend of ₦420,000,000 (28 kobo per share), together totalling ₦600,000,000 (40 kobo per share). The dividends are subject to deduction of withholding tax.

DIRECTORS' REPORT, CONT'D.

THE BOARD

The Directors who served during the year under review are listed on page 2 of this annual report.

The Directors to retire by rotation at this meeting in accordance with the Bank's Articles of Association are Alhaji M. K. Jada and Mr. A. B. Adesanya, and, being eligible, offer themselves for re-election.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year, together with their direct and indirect interests in the shares of the Bank, were as follows:

		Number of Ordinary Shares of 50 kobo held as at 28/2/01*	Number of Ordinary Shares of 50 kobo held as at 29/2/00
Professor M.O. Oyawoye	- Chairman	32,431,822	32,431,822
Mr. T.A. Adeola	- Managing Director	75,766,405	75,766,405
Mr. O.A. Aderinokun	- Deputy Managing Director	74,812,500	74,812,500
Mr. A.B. Adesanya		47,512,500	47,512,500
Owelle G.P. Chikelu		3,750,000	3,750,000
Alhaji M.K. Jada		22,985,348	22,985,348
Mr. V.G. Osibodu		47,250,000	47,250,000
Mr. Aig Aig-Imoukhuede	- Executive Director	-	-
Mr. J.K.O. Agbaje	- Executive Director	-	3,750
Mr. H.O. Wigwe	- Executive Director	1,790,411	746,411

*There has been no change in the Directors' interests as at the date of Notice of Annual General Meeting.

ANALYSIS OF SHAREHOLDING

The analysis of the distribution of the shares of the Bank as at 17 April, 2001, is as follows:

RANGE	NUMBER OF HOLDERS				TOTAL HOLDINGS			
	ABSOLUTE		CUMULATIVE		ABSOLUTE		CUMULATIVE	
	NO.	%	NO.	%	NO.	%	NO.	%
1 - 1,000	1,360	20	1,360	20	894,735	0	894,735	0
1,001 - 25,000	3,997	58	5,357	78	28,960,241	2	29,854,976	2
25,001 - 50,000	461	7	5,818	65	17,483,218	1	47,338,194	3
50,001 - 100,000	328	5	6,146	90	25,661,008	2	72,999,202	5
100,001 - 500,000	508	8	6,654	98	130,726,406	9	203,725,608	14
500,001 - 1,000,000	99	1	6,753	99	74,865,337	5	278,590,945	19
1,000,001 and above	107	1	6,860	100	1,221,409,055	81	1,500,000,000	100

DIRECTORS' REPORT, CONT'D.

FIXED ASSETS

Information relating to changes in fixed assets is given in Note 8 to the financial statements.

DONATIONS AND CHARITABLE GIFTS

In order to identify with the aspirations of the community and the environment within which the Group operates, a total sum of ₦4,471,000 (2000: ₦2,646,000) was given out as donations and charitable contributions during the financial year. These comprise contributions to charitable organisations amounting to ₦178,000 (2000: ₦244,000) and donations amounting to ₦4,293,000 (2000: ₦2,402,000) to other non-political organisations.

Details of such donations and charitable contributions are as follows:

	₦
Massey Street Children's Hospital	3,943,000
International Chamber of Commerce	250,000
University of Ilorin Teaching Hospital – Endowment Fund	100,000
Sickle Cell Club of Lagos	78,000
Nigerian Heart Foundation	25,000
Handicapped Award Association of Nigeria	25,000
Spinal Cord Injuries Association of Nigeria	25,000
Nigerian Red Cross Society	25,000

	4,471,000
	=====

EMPLOYMENT OF DISABLED PERSONS

The Group operates a non-discriminatory policy in the consideration of applications for employment, including those received from disabled persons. The Group's policy is that the most qualified and experienced persons are recruited for appropriate job levels irrespective of an applicant's state of origin, ethnicity, religion or physical condition.

In the event of any employee becoming disabled in the course of employment, the Group is in a position to arrange appropriate training to ensure the continuous employment of such a person without subjecting him/her to any disadvantage in his/her career development. Currently, the Group has one person on its staff list with a physical disability.

DIRECTORS' REPORT, CONT'D.



HEALTH, SAFETY AND WELFARE OF EMPLOYEES

The Group maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. In addition, the Group provides medical facilities to its employees and their immediate families at its expense.

EMPLOYEE INVOLVEMENT AND TRAINING

The Group encourages participation of employees in arriving at decisions in respect of matters affecting their well-being. Towards this end, the Group provides opportunities where employees deliberate on issues affecting the Group and employee interests, with a view to making inputs to decisions thereon.

The Group places a high premium on the development of its manpower. Consequently, the Group sponsored its employees for various training courses both locally and abroad in the year under review.

AUDITORS

The auditors, Messrs. Arthur Andersen, have indicated their willingness to continue in office in accordance with Section 357 (2) of the Companies and Allied Matters Act, 1990. A resolution will be proposed authorising the Directors to determine their remuneration.

BY ORDER OF THE BOARD



Kolapo Omidire
Company Secretary
Plot 1669, Oyin Jolayemi Street,
Victoria Island, Lagos.

15 March, 2001

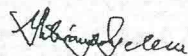
REPORT OF THE AUDIT COMMITTEE

For the Year Ended 28 February, 2001

To the members of **Guaranty Trust Bank PLC**

In accordance with the provisions of Section 359 (6) of the Companies and Allied Matters Act 1990, the members of the Audit Committee of Guaranty Trust Bank PLC hereby report as follows:

- .. We have exercised our statutory functions under Section 359 (6) of the Companies and Allied Matters Act, 1990 and acknowledge the co-operation of management and staff in the conduct of these responsibilities.
- .. We are of the opinion that the accounting and reporting policies of the Bank and Group are in accordance with legal requirements and agreed ethical practices and that the scope and planning of both the external and internal audits for the year ended 28 February, 2001, were satisfactory and reinforce the Group's internal control systems.
- .. We have deliberated with the external auditors, who have confirmed that necessary co-operation was received from management in the course of their statutory audit.



Mr. Y.A. Oyeleke
Chairman, Audit Committee

14 March, 2001

Members of the Audit Committee are:

1. Mr. Y.A. Oyeleke - Chairman
2. Mr. A.B. Adesanya
3. Owelle G.P.O. Chikelu
4. Alhaji M. A. Usman
5. Mr. M.F. Lawal
6. Alhaji M.K. Jada

In attendance:

Mrs. Cathy Echeozo - Secretary

AUDITORS' REPORT



ARTHUR ANDERSEN

22a, Gerrard Road
P. O. Box 51204, Ikoyi, Lagos.

To the Members of Guaranty Trust Bank PLC:

We have audited the balance sheets of Guaranty Trust Bank PLC ("the Bank") and its subsidiary company ("the Group") as at 28 February, 2001 and the related profit and loss accounts and statements of cash flows for the year then ended, prepared under the historical cost convention and on the basis of the accounting policies set out in the financial statements.

Respective Responsibilities of Directors and Auditors

The Bank's Directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with international standards on auditing. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures made in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary, including adequate returns from branches not visited by us, in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements, and assessed whether the Group's books of account had been properly kept.

Banks and Other Financial Institutions Act, 1991

Based on our audit and representations received, to the best of our knowledge and belief, the Bank did not contravene any section of the Bank and Other Financial Institutions Act, 1991 during the year ended 28 February, 2001.

Opinion

In our opinion,

- i. the Group's books of account have been properly kept;
- ii. the financial statements referred to above, which are in agreement with the books of account, give a true and fair view of the state of affairs of the Bank and Group as at 28 February, 2001 and of their profit and statements of cash flows for the year then ended, and comply with the Banks and Other Financial Institutions Act, 1991, relevant Central Bank of Nigeria circulars, relevant Statements of Accounting Standards and the Companies and Allied Matters Act, 1990.

Arthur Andersen

15 March, 2001



STATEMENT OF ACCOUNTING POLICIES

For the Year Ended 28 February, 2001

A summary of the principal accounting policies, applied consistently throughout the current and preceding years, (except for the accounting policy on deferred taxation, see note (i) below), is set out below:

(a) **Basis of Accounting**

The financial statements are prepared under the historical cost convention.

(b) **Basis of Consolidation**

The Group financial statements consolidate the financial statements of Guaranty Trust Bank PLC, and its subsidiary, Asset and Resource Management Company Limited. In the Bank's books, investment in the subsidiary company is stated at cost. Provision is made for any permanent diminution in the value of the investment.

(c) **Investments**

Short-term investments are stated at face value. Unearned income is deferred and amortised as earned.

Long-term investments are stated at cost. Provisions are made for permanent diminution in the value of such investments.

(d) **Investment in Associated Company**

The Group's investment in the associated company is stated at cost and adjusted thereafter for changes in the Group's share of the net assets of the associate using the equity method.

(e) **Loans and Advances**

Loans and advances are stated net of provisions for bad and doubtful loans. Provisions are determined in accordance with the Central Bank of Nigeria's Prudential Guidelines from a specific assessment of each customer's account. A general provision of 1% is made on all loans and advances not specifically provided for.

Bad loans are written-off when the extent of the loss has been determined. Recoveries are written back to profit and loss account on a cash basis.

(f) **Advances under Finance Leases**

Advances to customers under finance leases are stated net of unearned income. Lease finance income is recognised in a manner which provides a constant yield on the outstanding net investment over the lease period.

(g) **Equipment on Lease**

Equipment on lease to customers is stated at cost less accumulated depreciation. Depreciation is provided on an appropriate basis to write-off the related asset cost over the period of the lease, and is included in operating expenses. Rental income from equipment on lease to customers is credited to lease income on a consistent basis over the lease term.

(h) **Fixed Assets**

Fixed assets are shown at cost less accumulated depreciation. Depreciation is provided on a straight-line basis to write-off the cost of assets over their expected useful lives annually, as follows:

STATEMENT OF ACCOUNTING POLICIES, CONT'D.

Leasehold Improvement, Land and Buildings	-	Over the lease period
Machinery and Equipment	-	20%
Computer Hardware	-	33 ¹ / ₃ % (2000: 20%)
Computer Software	-	20%
Furniture and Fittings	-	20%
Motor Vehicles	-	25%

Gains or losses on disposal of fixed assets are included in the profit and loss account.

(i) **Taxation**

Income tax payable is provided on taxable profits at the current rate.

Deferred taxation, which arises from timing differences in the recognition of items for accounting and tax purposes, is calculated using the liability method. Deferred taxation is provided on a partial basis on timing differences, which are expected to reverse at the rate of tax likely to be in force at the time of reversal. In prior years, deferred taxation was not provided in the financial statements.

(j) **Income Recognition**

Credits to the profit and loss account are recognised as follows:

- Interest – recognised on an accrual basis except for interest on non-performing credit facilities, which is recognised on a cash basis.
- Non-credit-related fees – recognised when the successful outcome of the assignment can be determined and the assignment is considered substantially completed.
- Credit-related fees – spread systematically over the tenor of the credit facility where they constitute at least 10% of the projected average annual yield of the facility, otherwise credited to the profit and loss account at the time of occurrence.
- Commissions and fees charged to customers for services rendered - recognised at the time the service or transaction is effected.
- Investment income – recognised on an accrual basis and credited to the profit and loss account.

(k) **Foreign Currency Items**

Transactions in foreign currencies are translated into Naira at the rates of exchange ruling at the date of the transaction (or, where appropriate, the rate of exchange in related forward exchange contracts). Monetary assets and liabilities denominated in foreign currencies are reported at the rates of exchange prevailing at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the profit and loss account.

(l) **Pension Costs**

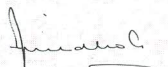
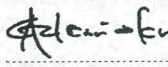
The Group operates a defined contributory pension scheme, which is managed by external trustees. Employees are entitled to join the scheme on confirmation of their employment. Employee and Group contributions are 5% and 20% of the employee's annual basic salary, respectively.

BALANCE SHEETS

As at 28 February, 2001

	Notes	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
ASSETS					
Cash and short-term funds	1	16,683,322	8,401,508	16,683,277	8,401,260
Investments	2	10,206,476	8,966,800	5,706,059	5,489,557
Loans and advances	3	12,073,119	8,087,278	12,073,119	8,087,278
Other facilities	4	2,844,084	2,508,413	2,844,084	2,508,413
Advances under finance leases	5	-	22,531	-	22,531
Other assets	6	2,155,102	6,365,563	2,061,769	6,376,758
Equipment on lease	7	110,729	256,979	110,729	256,979
Fixed assets	8	1,398,733	988,047	1,340,601	936,235
TOTAL ASSETS		45,471,565	35,597,119	40,819,638	32,079,011
LIABILITIES					
Deposits and other accounts	9	24,138,561	15,446,099	24,139,710	15,461,727
Other liabilities	10	13,120,121	13,670,376	8,683,152	10,264,701
Other facilities	11	2,872,812	2,533,750	2,872,812	2,533,750
Taxation payable	12	772,623	455,182	762,916	436,479
Dividend payable	13	420,000	345,000	420,000	345,000
TOTAL LIABILITIES		41,324,117	32,450,407	36,878,590	29,041,657
NET ASSETS		4,147,448	3,146,712	3,941,048	3,037,354
CAPITAL AND RESERVES					
Share capital	14	750,000	750,000	750,000	750,000
Other reserves	15	3,373,792	2,367,328	3,191,048	2,287,354
SHAREHOLDERS' FUNDS:		4,123,792	3,117,328	3,941,048	3,037,354
Minority interest		23,656	29,384	-	-
		4,147,448	3,146,712	3,941,048	3,037,354
Acceptances, guarantees and other obligations for the account of customers (and the customers' liability thereon)	16	6,775,885	3,939,342	6,775,885	3,939,342

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:


)
 FOLA ADEOLA) Directors

)
 TAYO ADERINOKUN)

Approved by the Board of Directors on 15 March, 2001.

The accompanying notes form an integral part of these balance sheets

PROFIT AND LOSS ACCOUNTS

For the Year Ended 28 February, 2001

	Notes	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
GROSS EARNINGS		7,109,676	5,519,051	6,840,527	5,312,400
INTEREST AND DISCOUNT INCOME	17	5,284,394	3,877,959	5,284,394	3,877,919
Lease finance income		2,977	9,503	2,977	9,503
Interest expense	18	(2,440,713)	(2,028,396)	(2,440,713)	(2,028,396)
INTEREST MARGIN		2,846,658	1,859,026	2,846,658	1,859,026
Loan loss expense (net)	20	(295,719)	(452,962)	(295,719)	(452,962)
NET INTEREST MARGIN		2,550,939	1,406,064	2,550,939	1,406,064
Other banking income	19	1,822,305	1,631,629	1,553,156	1,424,978
Operating expenses		4,373,244	3,037,693	4,104,095	2,831,042
		(2,220,030)	(1,676,766)	(2,053,772)	(1,519,879)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	20	2,153,214	1,360,927	2,050,323	1,311,163
Taxation	12	(548,239)	(308,334)	(546,629)	(292,834)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,604,975	1,052,593	1,503,694	1,018,329
Minority interest		(992)	(11,573)	-	-
PROFIT ATTRIBUTABLE TO GROUP SHAREHOLDERS		1,603,983	1,041,020	1,503,694	1,018,329
Transfer to statutory reserves	15	(451,108)	(509,033)	(451,108)	(509,033)
Transfer to small scale industries reserve	15	(205,032)	-	(205,032)	-
DIVIDEND - Paid	13	947,843	531,987	847,554	509,296
- Proposed	13	(180,000)	(150,000)	(180,000)	(150,000)
		(420,000)	(345,000)	(420,000)	(345,000)
Retained profit for the year		347,843	36,987	247,554	14,296
RETAINED PROFIT, beginning of year		499,367	462,380	434,998	420,702
RETAINED PROFIT, end of year	15	847,210	499,367	682,552	434,998
Earnings per share	21	107k	69k	100k	68k
Dividend per share	21	40k	33k	40k	33k

The accompanying notes form an integral part of these profit and loss accounts.

STATEMENTS OF CASH FLOWS

For the Year Ended 28 February, 2001.

	Notes	GROUP 2001 ₦'000	GROUP 2000 ₦'000	BANK 2001 ₦'000	BANK 2000 ₦'000
Net cash flow from operating activities before changes in operating assets	22	2,863,329	2,161,566	2,750,795	2,086,389
Changes in operating assets	23	6,873,170	2,717,087	7,060,668	2,684,787
Income tax paid		(230,798)	(197,503)	(220,192)	(194,183)
Net cash flows from operating activities		9,505,701	4,681,150	9,591,271	4,576,993
Investing activities:					
Proceeds from disposal of fixed assets		15,111	20,009	8,374	10,886
Sale of investments		108,049	-	-	-
Purchase of fixed assets		(700,662)	(285,465)	(671,243)	(267,250)
Purchase of investment		(121,385)	(133,713)	(121,385)	(35,076)
Purchase of equipment on lease		-	(250,000)	-	(250,000)
Net cash flows from investing activities		(698,887)	(649,169)	(784,254)	(541,440)
Financing activities:					
Dividend paid		(525,000)	(375,000)	(525,000)	(375,000)
Net increase in cash and short-term funds		8,281,814	3,656,981	8,282,017	3,660,553
Cash and short-term funds, beginning of year		8,401,508	4,744,527	8,401,260	4,740,707
Cash and short-term funds, end of year		16,683,322	8,401,508	16,683,277	8,401,260

The accompanying notes form an integral part of these statements of cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 28 February, 2001.

I. Cash and Short-term Funds

(a) Cash and short-term funds comprise:

	GROUP 2001 ₦'000	GROUP 2000 ₦'000	BANK 2001 ₦'000	BANK 2000 ₦'000
Bank and cash balances in Nigeria				
- Cash	387,770	426,916	387,725	426,668
- Balances held with the Central Bank of Nigeria				
- Current account	2,822,745	2,785,426	2,822,745	2,785,426
- Cash reserve	1,381,992	884,381	1,381,992	884,381
- Balances held with other local banks (see (b) below)	2,691,089	174,744	2,691,089	174,744
Balances held with banks outside Nigeria (see (c) below)	9,399,726	4,130,041	9,399,726	4,130,041
	16,683,322	8,401,508	16,683,277	8,401,260

(b) Included in balances held with other local banks is an amount of ₦268,689,000 (2000: ₦138,235,000), being cash cover for managers' cheques issued on other banks (see Note 10).

(c) Included in bank and cash balances outside Nigeria is the Naira value of foreign currencies held on behalf of customers in various foreign accounts amounting to ₦4,615,407,000 (2000: ₦1,961,430,000). The corresponding liability for this amount is included in other liabilities (see Note 10).

2. Investments

(a) Investments comprise:

	GROUP 2001 ₦'000	GROUP 2000 ₦'000	BANK 2001 ₦'000	BANK 2000 ₦'000
Short-term investments (see (b) below)	9,510,953	8,359,910	5,225,440	5,130,323
Long-term investments (see (c) below)	695,523	606,890	480,619	359,234
	10,206,476	8,966,800	5,706,059	5,489,557

(b) Short-term investments comprise:

	GROUP 2001 ₦'000	GROUP 2000 ₦'000	BANK 2001 ₦'000	BANK 2000 ₦'000
Treasury bills	5,175,440	4,642,870	5,175,440	4,642,870
DCP treasury bills	-	487,453	-	487,453
Trading securities	4,285,513	3,229,587	-	-
CBN certificate	50,000	-	50,000	-
	9,510,953	8,359,910	5,225,440	5,130,323

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

(c) Long-term investments:

(i) Long-term investments comprise:

	GROUP	GROUP	BANK	BANK
	2001	2000	2001	2000
	₦'000	₦'000	₦'000	₦'000
Subsidiary:				
Investment in Asset and Resource Management Company Limited (ARM)	-	-	28,000	28,000
Associated company:				
Investment in Magnum Trust Bank PLC	411,915	336,618	259,087	259,087
Other investments:				
- Kakawa Discount House Limited	34,100	34,100	34,100	34,100
- ValuCard Nigeria PLC (see (ii) below)	41,432	36,692	41,432	36,692
- Crusader Insurance PLC	-	25,565	-	-
- Nigeria Automated Clearing System	18,000	-	18,000	-
- Proprietary investments (see (iii) below)	90,076	172,560	-	-
Debentures:				
- ValuCard Nigeria PLC	-	1,355	-	1,355
- Delta State Govt. Bond	100,000	-	100,000	-
	695,523	606,890	480,619	359,234

(ii) The Bank increased its investment in ValuCard Nigeria PLC (formerly Smartcard Nigeria PLC) during the year through the acquisition of additional ordinary shares of the Company.

(iii) Proprietary Investment represents ARM's trading investment in quoted equities in Nigeria and abroad.

(iv) The directors are of the opinion that the market value of long-term investments is not lower than cost.

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

3. Loans and Advances

(a) Loans and advances comprise, by security:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Secured against real estate	5,201,509	2,815,140	5,201,509	2,815,140
Otherwise secured	6,194,616	4,697,148	6,194,616	4,697,148
Unsecured	1,271,008	989,076	1,271,008	989,076
	<u>12,667,133</u>	<u>8,501,364</u>	<u>12,667,133</u>	<u>8,501,364</u>
Less: Provisions for bad and doubtful loans				
- Specific (see (b) below)	(279,772)	(241,902)	(279,772)	(241,902)
- General (see (b) below)	(225,537)	(123,587)	(225,537)	(123,587)
Interest in suspense	(88,705)	(48,597)	(88,705)	(48,597)
	<u>12,073,119</u>	<u>8,087,278</u>	<u>12,073,119</u>	<u>8,087,278</u>

(b) The movements on specific and general provisions for bad and doubtful loans during the year were as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Specific provision:				
Balance, beginning of year	241,902	110,698	241,902	110,698
Provisions made during the year	187,266	367,877	187,266	367,877
Provisions written off during the year	(149,396)	(236,673)	(149,396)	(236,673)
	<u>279,772</u>	<u>241,902</u>	<u>279,772</u>	<u>241,902</u>

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
General provision:				
Balance, beginning of year	123,587	79,617	123,587	79,617
Provisions made during the year	101,950	43,970	101,950	43,970
	-----	-----	-----	-----
Balance, end of year	225,537	123,587	225,537	123,587
	=====	=====	=====	=====

(c) The gross value of loans and advances by maturity is:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Under 1 month	9,210,003	5,998,074	9,210,003	5,998,074
1 - 3 months	889,119	514,770	889,119	514,770
3 - 6 months	51,237	67,608	51,237	67,608
6 - 12 months	702,003	553,785	702,003	553,785
Over 12 months	1,814,771	1,367,127	1,814,771	1,367,127
	-----	-----	-----	-----
	12,667,133	8,501,364	12,667,133	8,501,364
	=====	=====	=====	=====

(d) The gross value of loans and advances by performance is:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Performing	12,220,197	8,107,466	12,220,197	8,107,466
Non-performing - principal	358,231	345,301	358,231	345,301
- interest	88,705	48,597	88,705	48,597
	-----	-----	-----	-----
	12,667,133	8,501,364	12,667,133	8,501,364
	=====	=====	=====	=====

4. Other Facilities

(a) The Bank acts as an intermediary for Afrexim loans (see note 11). The classification of such loans outstanding at year end is as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Unsecured	2,872,812	2,533,750	2,872,812	2,533,750
Less: 1% statutory general provision	(28,728)	(25,337)	(28,728)	(25,337)
	-----	-----	-----	-----
	2,844,084	2,508,413	2,844,084	2,508,413
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

(b) The movement on provision for other facilities during the year was as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Balance, beginning of year	25,337	-	25,337	-
Provisions during the year	3,391	25,337	3,391	25,337
Balance, end of year	<u>28,728</u>	<u>25,337</u>	<u>28,728</u>	<u>25,337</u>

(c) The maturity profile of other facilities is as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
3 – 6 months	2,872,812	1,520,250	2,872,812	1,520,250
6 – 12 months	-	1,013,500	-	1,013,500
	<u>2,872,812</u>	<u>2,533,750</u>	<u>2,872,812</u>	<u>2,533,750</u>

(d) All other facilities were performing as at year end.

5. Advances under Finance Leases

(a) Advances under finance leases comprise:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Gross investment in finance leases	-	26,903	-	26,903
Unearned income	-	(4,144)	-	(4,144)
Net investment in finance leases	-	22,759	-	22,759
Less: 1% general provision	-	(228)	-	(228)
	<u>-</u>	<u>22,531</u>	<u>-</u>	<u>22,531</u>

(b) The movement on the general provision for advances under finance leases during the year was as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Balance, beginning of year	228	411	228	411
Provisions released during the year	(228)	(183)	(228)	(183)
Balance, end of year	<u>-</u>	<u>228</u>	<u>-</u>	<u>228</u>

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

(c) The net investment in finance leases by maturity is:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
3 – 6 months	-	300	-	300
6 – 12 months	-	5,082	-	5,082
Over 12 months	-	17,377	-	17,377
	-----	-----	-----	-----
	-	22,759	-	22,759
	=====	=====	=====	=====

6. Other Assets

(a) Other Assets comprise:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
OBB treasury bills (see (b) below)	1,344,000	5,809,500	1,344,000	5,809,500
Prepayments:				
- Short-term (within one year)	147,571	199,992	129,160	191,165
- Long-term (over one year)	459,589	124,696	459,589	124,696
Discount paid in advance	100,001	89,084	100,001	89,084
Other accounts receivable	103,941	142,291	29,019	162,313
	-----	-----	-----	-----
	2,155,102	6,365,563	2,061,769	6,376,758
	=====	=====	=====	=====

(b) OBB treasury bills represent treasury bills pledged as security against open buy back interbank takings (see note 10).

(c) There has been no diminution in the value of other assets, hence no provision is required at the balance sheet date (2000: Nil).

7. Equipment on Lease

The movement on this account during the year was as follows:

	Machinery and Equipment N'000
COST:	
Beginning of year	535,000
Additions	-

End of year	535,000
	=====
ACCUMULATED DEPRECIATION:	
Beginning of year	278,021
Charge for the year	146,250

End of year	424,271
	=====
NET BOOK VALUE:	
End of year	110,729
	=====
Beginning of year	256,979
	=====

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

8. Fixed assets:

(a) Group:

The movements on these accounts during the year were as follows:

	Leasehold Improvement, Land and Buildings N'000	Machinery & Equipment N'000	Computers & Accessories N'000	Furniture & Fittings N'000	Motor Vehicles N'000	Capital Work in Progress N'000	Total N'000
COST:							
Beginning of year	537,499	286,850	436,102	138,410	341,663	3,774	1,744,298
Additions	186,696	87,768	144,794	23,019	228,717	29,668	700,662
Disposals	-	(3,260)	(741)	-	(34,124)	-	(38,125)
End of year	<u>724,195</u>	<u>371,358</u>	<u>580,155</u>	<u>161,429</u>	<u>536,256</u>	<u>33,442</u>	<u>2,406,835</u>
ACCUMULATED DEPRECIATION:							
Beginning of year	123,120	167,034	225,741	88,384	151,972	-	756,251
Charge for the year	28,085	46,587	88,056	18,341	100,372	-	281,441
Disposals	-	(3,231)	(134)	-	(26,225)	-	(29,590)
End of year	<u>151,205</u>	<u>210,390</u>	<u>313,663</u>	<u>106,725</u>	<u>226,119</u>	<u>-</u>	<u>1,008,102</u>
NETBOOKVALUE:							
End of year	<u>572,990</u>	<u>160,968</u>	<u>266,492</u>	<u>54,704</u>	<u>310,137</u>	<u>33,442</u>	<u>1,398,733</u>
Beginning of year	<u>414,379</u>	<u>119,816</u>	<u>210,361</u>	<u>50,026</u>	<u>189,691</u>	<u>3,774</u>	<u>988,047</u>

- i. No leased assets were included in the above fixed assets.
- ii. The Group had capital commitments of ₦23,431,000 (2000: Nil) as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

8. Fixed Assets

(b) Bank:

(i) The movements on these accounts during the year were as follows:

	Leasehold Improvement, Land and Buildings N'000	Machinery & Equipment N'000	Computers & Accessories N'000	Furniture & Fittings N'000	Motor Vehicles N'000	Capital Work in Progress N'000	Total N'000
COST:							
Beginning of year	528,745	284,540	408,948	120,939	317,274	3,774	1,664,220
Additions	186,445	87,768	135,430	22,641	209,291	29,668	671,243
Disposals	-	(3,260)	(741)	-	(21,792)	-	(25,793)
End of year	<u>715,190</u>	<u>369,048</u>	<u>543,637</u>	<u>143,580</u>	<u>504,773</u>	<u>33,442</u>	<u>2,309,670</u>
ACCUMULATED DEPRECIATION:							
Beginning of year	118,245	166,160	217,563	82,640	143,377	-	727,985
Charge for the year	25,254	46,098	83,364	14,822	94,785	-	264,323
Disposals	-	(3,230)	(134)	-	(19,875)	-	(23,239)
End of year	<u>143,499</u>	<u>209,028</u>	<u>300,793</u>	<u>97,462</u>	<u>218,287</u>	<u>-</u>	<u>969,069</u>
NET BOOK VALUE							
End of year	<u>571,691</u>	<u>160,020</u>	<u>242,844</u>	<u>46,118</u>	<u>286,486</u>	<u>33,442</u>	<u>1,340,601</u>
Beginning of year	<u>410,500</u>	<u>118,380</u>	<u>191,385</u>	<u>38,299</u>	<u>173,897</u>	<u>3,774</u>	<u>936,235</u>

- i. No leased assets are included in the above fixed assets accounts.
- ii. The Bank had capital commitments of ₦23,431,000 (2000: Nil) as at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

9. Deposits and Other Accounts

(a) Deposits and other accounts comprise:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Demand	14,837,165	7,977,115	14,838,314	7,992,743
Time	6,157,950	5,148,883	6,157,950	5,148,883
Savings	518,446	255,101	518,446	255,101
	-----	-----	-----	-----
Due to local banks	21,513,561	13,381,099	21,514,710	13,396,727
	2,625,000	2,065,000	2,625,000	2,065,000
	-----	-----	-----	-----
	<u>24,138,561</u>	<u>15,446,099</u>	<u>24,139,710</u>	<u>15,461,727</u>
	=====	=====	=====	=====

(b) The maturity profile of deposits liabilities is as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Under 1 month	22,416,525	13,753,952	22,417,674	13,769,580
1 - 3 months	1,677,442	1,608,859	1,677,442	1,608,859
3 - 6 months	40,899	80,698	40,899	80,698
6 - 12 months	3,695	2,590	3,695	2,590
	-----	-----	-----	-----
	<u>24,138,561</u>	<u>15,446,099</u>	<u>24,139,710</u>	<u>15,461,727</u>
	=====	=====	=====	=====

10. Other liabilities

Other liabilities comprise:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Foreign currency denominated liabilities (see Note 1 (c))	4,615,407	1,961,430	4,615,407	1,961,430
Certified cheques	1,546,214	634,779	1,546,214	634,779
Due to other local banks (see Note 1 (b))	268,689	138,235	268,689	138,235
OBB Takings (see Note 6 (b))	1,344,000	5,809,500	1,344,000	5,809,500
Customers' FEM deposits	608,897	1,350,153	608,897	1,350,153
Unearned interest and discounts	149,810	258,225	149,810	258,225
Interest payable	65,353	56,102	65,353	56,102
Other current liabilities	4,521,751	3,461,952	4,521,751	3,461,952
	-----	-----	-----	-----
	<u>13,120,121</u>	<u>13,670,376</u>	<u>13,120,121</u>	<u>13,670,376</u>
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

11. Other Facilities

The maturity profile of amounts received from Afrexim for on - lending (see note 4) is as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
3 - 6 months	2,872,812	1,520,250	2,872,812	1,520,250
6 - 12 months	-	1,013,500	-	1,013,500
	<u>2,872,812</u>	<u>2,533,750</u>	<u>2,872,812</u>	<u>2,533,750</u>

12. Taxation Payable

(a) The movement on tax payable account during the year was as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Balance, beginning of year	455,182	344,351	436,479	337,828
Charge for the year (see (b) below)	548,239	308,334	546,629	292,834
Payments during the year	(230,798)	(197,503)	(220,192)	(194,183)
Balance, end of year	<u>772,623</u>	<u>455,182</u>	<u>762,916</u>	<u>436,479</u>

(b) The tax charge for the year comprises:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Current tax charge	499,691	308,334	498,081	292,834
Deferred tax charge	48,548	-	48,548	-
	<u>548,239</u>	<u>308,334</u>	<u>546,629</u>	<u>292,834</u>

The current tax charge has been computed at the current company income tax rate of 30% (2000: 30%) on the profit for the year after adjusting for certain items of income and expenditure, which are not deductible or chargeable for tax purposes, plus 2% (2000: 2%) Education Levy for the year.

The Bank's exposure to deferred tax (which relates primarily to timing differences in the recognition of depreciation and capital allowances on fixed assets) has been partially provided for in the financial statements as the directors are of the opinion that these timing differences are likely to reverse in the foreseeable future. The balance of deferred tax which amounts to N57,891,000 (2000: N151,645,000) has not been provided for in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

13. Dividend Payable

(a) The movement on this account during the year was as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Balance, beginning of year	345,000	225,000	345,000	225,000
Dividends declared during the year				
- interim	180,000	150,000	180,000	150,000
- final	420,000	345,000	420,000	345,000
Payment during the year	(525,000)	(375,000)	(525,000)	(375,000)
	-----	-----	-----	-----
Balance, end of year	420,000	345,000	420,000	345,000
	=====	=====	=====	=====

14. Share Capital

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Authorised – 1,500,000,000 ordinary shares of 50k each (2000: 1,500,000,000 ordinary shares of 50k each)	750,000	750,000	750,000	750,000
	=====	=====	=====	=====
Issued and fully paid - 1,500,000,000 ordinary shares of 50k each (2000: 1,500,000,000 ordinary shares of 50k each)	750,000	750,000	750,000	750,000
	=====	=====	=====	=====

15. Reserves

(a) Reserves comprise:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Statutory reserve (see (b) below)	2,303,464	1,852,356	2,303,464	1,852,356
Retained profit	847,210	499,367	682,552	434,998
Capital reserve	9,326	9,196	-	-
Small Scale Industries (SSI) reserve	205,032	-	205,032	-
Other reserves	8,760	6,409	-	-
	-----	-----	-----	-----
	3,373,792	2,367,328	3,191,048	2,287,354
	=====	=====	=====	=====

In accordance with the Central Bank of Nigeria Monetary, Credit, Foreign Trade & Exchange Policy Guidelines for 2001 fiscal year, 10% of profit before taxation for the year ended 28 February, 2001, has been transferred to Small Scale Industries reserve.

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

(b) The movement on the statutory reserve account during the year was as follows:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Balance, beginning of year	1,852,356	1,343,323	1,852,356	1,343,323
Transfer from profit and loss account	451,108	509,033	451,108	509,033
Balance, end of year	<u>2,303,464</u>	<u>1,852,356</u>	<u>2,303,464</u>	<u>1,852,356</u>

In accordance with existing legislation, the Bank transferred 30% (2000: 50%) of its profit after taxation to statutory reserve.

16. Acceptances, Guarantees, and Other Obligations for the Account of Customers

These comprise:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Transaction-related bonds and guarantees	1,702,054	998,036	1,702,054	998,036
Guaranteed commercial papers and bankers' acceptances	5,073,831	2,941,306	5,073,831	2,941,306
	<u>6,775,885</u>	<u>3,939,342</u>	<u>6,775,885</u>	<u>3,939,342</u>

17. Interest and Discount Income

Interest and discount income was derived as follows:

Source:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Lending to financial institutions	294,636	201,620	294,636	201,620
Lending to non-bank customers	4,140,811	3,165,343	4,140,811	3,165,343
Interest income on securities trading	848,947	510,956	848,947	510,956
	<u>5,284,394</u>	<u>3,877,919</u>	<u>5,284,394</u>	<u>3,877,919</u>
Geographical location:				
Earned in Nigeria	4,857,445	3,667,508	4,857,445	3,667,508
Earned outside Nigeria	426,949	210,411	426,949	210,411
	<u>5,284,394</u>	<u>3,877,919</u>	<u>5,284,394</u>	<u>3,877,919</u>

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

18. Interest Expense

Interest expense comprises:

Source:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Borrowing from banks	147,374	549,797	147,374	356,790
Borrowing from non-bank depositors	1,583,052	998,233	1,583,052	1,191,240
Interest expense on securities trading	710,287	480,366	710,287	480,366
	<u>2,440,713</u>	<u>2,028,396</u>	<u>2,440,713</u>	<u>2,028,396</u>

Geographical location:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Paid in Nigeria	2,086,370	1,895,953	2,086,370	1,895,973
Paid outside Nigeria	354,343	132,423	354,343	132,423
	<u>2,440,713</u>	<u>2,028,396</u>	<u>2,440,713</u>	<u>2,028,396</u>

19. Other Banking Income

This comprises:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Commissions and similar income	1,391,147	1,250,912	1,203,138	1,035,494
Other fees and charges	147,520	163,496	141,677	153,288
Operating lease income	203,023	162,023	203,023	162,023
Dividend income from equity investments	5,318	7,673	5,318	74,173
Net income from associate company	75,297	47,525	-	-
	<u>1,822,305</u>	<u>1,631,629</u>	<u>1,553,156</u>	<u>1,424,978</u>

20. Supplementary Profit and Loss Information

(a) General

The profit before taxation for the year is stated after charging/(crediting) the following:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Specific provisions on risk assets	187,266	367,877	187,266	367,877
General provision on loans, other facilities and finance leases	105,114	69,123	105,114	69,123
Loan amounts written off	3,339	15,962	3,339	15,962
	<u>295,719</u>	<u>452,962</u>	<u>295,719</u>	<u>452,962</u>

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Depreciation:				
* Fixed assets	281,441	228,999	264,323	213,377
* Equipment on lease	146,250	113,611	146,250	113,611
Auditors' remuneration	10,200	9,000	8,000	7,000
Gain on disposal of fixed assets	(6,575)	(4,876)	(5,820)	(4,724)
	=====	=====	=====	=====

The auditors' remuneration is for two audits; half-year audit and full year audit for the Bank.

(b) Staff and Executive Directors' Costs

i. Employee costs, including executive directors, during the year amounted to:

	GROUP 2001 N'000	GROUP 2000 N'000	BANK 2001 N'000	BANK 2000 N'000
Wages and salaries	603,648	458,615	564,762	433,997
Other pension costs	32,167	16,850	22,846	15,096
	-----	-----	-----	-----
	635,815	475,465	587,608	449,093
	=====	=====	=====	=====

ii. The average number of persons in employment during the year was:

	GROUP 2001 Number	GROUP 2000 Number	BANK 2001 Number	BANK 2000 Number
Institutional Banking Group	32	36	32	32
Commercial Banking Group	50	54	50	54
Investment Banking Group	16	19	16	16
Payments Group	10	7	10	7
Settlement Group	26	23	26	23
Public Sector Group	20	15	20	15
Transaction Services Group	113	91	101	91
Financial Controls & Risk Mgt. Group	17	19	12	13
Systems & Control Group	16	15	12	11
Gen. Internal Services & Ext. Affairs Group	23	31	17	24
Management and Corporate Services Group	24	24	20	24
	-----	-----	-----	-----
	347	334	316	310
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

- iii. Employees other than directors, earning more than ₦60,000 per annum, whose duties were wholly or mainly discharged in Nigeria, received emoluments (excluding pension contributions and certain benefits) in the following ranges:

	GROUP 2001 Number	GROUP 2000 Number	BANK 2001 Number	BANK 2000 Number
₦ 70,001 - ₦80,000	1	3	-	-
₦ 80,001 - ₦ 90,000	1	3	-	-
₦ 90,001 - ₦100,000	2	-	-	-
₦130,001 - ₦140,000	-	1	-	-
₦160,001 - ₦170,000	1	-	-	-
₦170,001 - ₦180,000	1	-	-	-
₦180,001 - ₦190,000	-	18	-	17
₦190,001 - ₦200,000	-	1	-	-
₦210,001 - ₦250,000	12	-	12	-
₦250,001 - ₦260,000	1	6	-	4
₦260,001 - ₦270,000	-	1	-	-
₦270,001 - ₦280,000	8	-	8	-
₦290,001 - ₦300,000	3	-	-	-
₦320,001 - ₦330,000	2	-	-	-
₦330,001 - ₦340,000	5	-	2	-
₦350,001 - ₦360,000	-	2	-	1
₦360,001 - ₦370,000	1	1	-	-
₦370,001 - ₦380,000	2	-	-	-
₦390,001 - ₦400,000	-	1	-	1
₦400,001 - ₦410,000	-	2	-	1
₦420,001 - ₦430,000	1	3	-	-
₦430,001 - ₦440,000	-	2	-	-
₦450,001 - ₦460,000	-	5	-	5
₦460,001 - ₦470,000	1	-	1	-
₦480,001 - ₦490,000	1	1	-	-
Above ₦500,001	304	284	293	281
	----- 347 =====	----- 334 =====	----- 316 =====	----- 310 =====

- (c) Directors' remuneration:
Directors' remuneration was provided as follows:

	2001 ₦'000	2000 ₦'000
Fees as Directors	3,250	2,445
Other emoluments	34,599	24,196
	----- 37,849 =====	----- 26,641 =====

The Directors' remuneration shown above (excluding pension contributions and certain benefits) includes:

	2001 ₦'000	2000 ₦'000
Chairman	2,534	1,941
Highest-paid Director	9,386	6,645
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

The emoluments of all other directors fell within the following ranges:

	2001 Number	2000 Number
₦1,890,001 - ₦1,900,000	-	2
₦2,430,001 - ₦2,440,000	1	-
₦2,480,001 - ₦2,490,000	1	-
₦2,050,001 - ₦2,060,000	-	4
₦2,680,001 - ₦2,690,000	2	-
Above ₦4,000,000	4	2
	-----	-----
	8	8
	=====	=====

21. Earnings and Dividend per Share

Earnings and dividend per share have been computed based on profit after tax and the number of ordinary shares in issue during the year and on dividend and the appropriate number of shares qualifying for the dividend.

22. Net Cash Flow from Operating Activities before Changes in Operating Assets

This comprises:

	GROUP 2001 ₦'000	GROUP 2000 ₦'000	BANK 2001 ₦'000	BANK 2000 ₦'000
Profit before taxation	2,153,214	1,360,927	2,050,323	1,311,163
Minority interest	(992)	(11,573)	-	-
	-----	-----	-----	-----
	2,152,222	1,349,354	2,050,323	1,311,163
Adjustments to reconcile profit before taxation to net cash flow from operating activities:				
- depreciation:				
* fixed assets	281,441	228,999	264,323	213,377
* equipment on lease	146,250	113,611	146,250	113,611
- gain on disposal of fixed assets	(6,575)	(4,876)	(5,820)	(4,724)
- provision for bad and doubtful loans	295,719	452,962	295,719	452,962
- minority interest	(5,728)	16,791	-	-
- write-off of other investment	-	4,725	-	-
	-----	-----	-----	-----
Net cash flow from operating activities	2,863,329	2,161,566	2,750,795	2,086,389
	=====	=====	=====	=====

23. Changes in Operating Assets

This comprises:

	GROUP 2001 ₦'000	GROUP 2000 ₦'000	BANK 2001 ₦'000	BANK 2000 ₦'000
(Increase)/decrease in operating assets:				
Short-term investments	(1,151,043)	(3,353,898)	(95,117)	(2,466,400)
Loans and advances	(4,278,397)	(558,203)	(4,278,397)	(547,791)
Advances under finance lease	22,759	18,395	22,759	18,395
Other facilities	(339,062)	(2,533,750)	(339,062)	(2,533,750)
Other assets	4,210,460	(4,985,523)	4,314,989	(5,044,737)
Net income from Associated Company	(75,297)	(47,525)	-	-
Increase/(decrease) in operating liabilities:				
Deposits and other accounts	8,692,462	5,077,194	8,677,983	5,092,822
Other liabilities	(550,255)	6,558,252	(1,581,549)	5,632,498
Other facilities	339,062	2,533,750	339,062	2,533,750
Capital and other reserves	2,481	8,395	-	-
	-----	-----	-----	-----
	6,873,170	2,717,087	7,060,668	2,684,787
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS, CONT'D.

24. Related Party Transactions

During the year, the Bank granted various credit facilities to companies whose Directors are also Directors of Guaranty Trust Bank PLC at rates and terms comparable to other facilities in the Bank's portfolio. An aggregate of ₦86,716,000 (2000: ₦49,670,000) were outstanding on these various facilities at the end of the year, all of which were performing. In addition, Asset and Resource Management Company Limited, a subsidiary of the Bank, manages the Bank's Staff Share Investment Trust, Gratuity and Pension Fund Schemes.

25. Subsequent Event

Subsequent to the year end, the Bank obtained the approvals of the regulatory authorities in Nigeria and The Gambia to establish a commercial bank in The Gambia. The Bank plans to own 70% of the shareholding whilst local investors own 30% of the shareholding.

26. Prior Year Comparatives

Certain prior year balances have been reclassified to conform with current year presentation format.

STATEMENT OF VALUE ADDED

For the Year Ended 28 February, 2001.

GROUP:

	2001 N'000	%	2000 N'000	%
Gross earnings	7,109,676		5,519,051	
Interest expense	(2,440,713)		(2,028,396)	
	<u>4,668,963</u>		<u>3,490,950</u>	
Loan loss expense	(295,719)		(452,962)	
	<u>4,373,244</u>		<u>3,037,988</u>	
Bought-in materials and services	(1,156,524)		(858,986)	
	<u>3,216,720</u>		<u>2,179,002</u>	
Value added	<u>3,216,720</u>	<u>100</u>	<u>2,179,002</u>	<u>100</u>
Applied to pay:				
Employees as wages and salaries	635,815	20	475,465	22
Shareholders as dividends	600,000	19	495,000	23
Government as taxes	548,239	17	308,334	14
Retained in the business:				
Depreciation	427,691	13	342,610	16
Profit for the year (including minority interest, statutory and bonus shares and reserves).	<u>1,004,975</u>	<u>31</u>	<u>557,593</u>	<u>25</u>
	<u>3,216,720</u>	<u>100</u>	<u>2,179,002</u>	<u>100</u>

STATEMENT OF VALUE ADDED

For the Year Ended 28 February, 2001.

BANK:

	2001 N'000	%	2000 N'000	%
Gross earnings	6,840,527		5,312,400	
Interest expense	(2,440,713)		(2,028,396)	
	-----		-----	
Loan loss expense	4,399,814 (295,719)		3,284,004 (452,962)	
	-----		-----	
	4,104,095		2,831,042	
Bought-in materials and services	(1,055,591)		(743,798)	
	-----		-----	
	3,048,504		2,087,244	
	-----		-----	
Value added	<u>3,048,504</u>	<u>100</u>	<u>2,087,244</u>	<u>100</u>
	=====	=====	=====	=====
Applied to pay:				
Employees as wages and salaries	587,608	19	449,093	22
Shareholders as dividends	600,000	20	495,000	24
Government as taxes	546,629	18	292,834	14
Retained in the business:				
Depreciation	410,573	13	326,988	15
Profit for the year (including statutory and small scale industries reserves)	903,694	30	523,329	25
	-----	-----	-----	-----
	<u>3,048,504</u>	<u>100</u>	<u>2,087,244</u>	<u>100</u>
	=====	=====	=====	=====

FIVE-YEAR FINANCIAL SUMMARY - GROUP

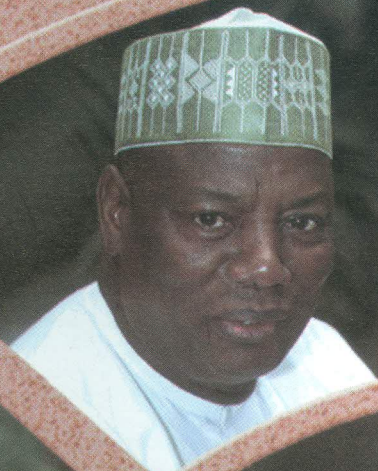
	2001 N'000	2000 N'000	1999 N'000	1998 N'000	1997 N'000
Gross earnings	<u>7,109,676</u>	<u>5,960,346</u>	<u>3,610,659</u>	<u>2,863,698</u>	<u>2,786,047</u>
Profit on ordinary activities before taxation	2,153,214	1,360,927	933,064	872,528	1,040,933
Taxation	<u>(548,239)</u>	<u>(308,334)</u>	<u>(222,207)</u>	<u>(219,186)</u>	<u>(239,104)</u>
Profit on ordinary activities after taxation	1,604,975	1,052,593	710,857	653,342	801,829
Extra-ordinary income	-	-	209,108	-	-
Profit after taxation and extraordinary income	1,604,975	1,052,593	919,965	653,342	801,829
Minority interest	<u>(992)</u>	<u>(11,573)</u>	<u>(5,003)</u>	<u>(2,766)</u>	<u>(3,754)</u>
Profit attributable to Group shareholders	<u>1,603,983</u>	<u>1,041,020</u>	<u>914,962</u>	<u>650,576</u>	<u>798,075</u>
Earnings per share (adjusted)	107k	69k	47k	43k	53k
Dividend per share (adjusted)	40k	33k	22k	13k	20k
ASSETS					
Cash and short-term funds	16,683,322	8,401,508	4,744,527	6,511,871	4,543,258
Investments	10,206,476	8,966,800	5,436,389	3,068,694	4,648,153
Loans and advances	12,073,119	8,087,278	7,956,883	7,005,765	5,753,868
Other facilities	2,844,084	2,508,413	-	-	-
Advances under finance leases	-	22,531	40,743	43,006	10,710
Other assets	2,155,102	6,365,563	1,380,040	1,383,627	285,826
Equipment on lease	110,729	256,979	120,590	208,507	200,000
Fixed assets	1,398,733	988,047	946,714	890,592	689,780
Goodwill	-	-	-	20,664	38,376
	<u>45,471,565</u>	<u>35,597,119</u>	<u>20,625,886</u>	<u>19,132,726</u>	<u>16,169,971</u>
LIABILITIES					
Deposits and other accounts	24,138,561	15,446,099	10,368,905	10,807,578	9,752,944
Other facilities	2,872,812	2,533,750	-	-	-
Other liabilities, including tax and dividend payable	14,312,744	14,470,558	7,681,475	6,331,562	4,870,128
	<u>41,324,117</u>	<u>32,450,407</u>	<u>18,050,380</u>	<u>17,139,140</u>	<u>14,623,072</u>
NET ASSETS	<u>4,147,448</u>	<u>3,146,712</u>	<u>2,575,506</u>	<u>1,993,586</u>	<u>1,546,899</u>
CAPITAL AND RESERVES					
Share capital	750,000	750,000	750,000	500,000	200,000
Bonus shares reserve	-	-	-	250,000	300,000
Other reserves	3,373,792	2,367,328	1,812,913	1,234,467	1,038,550
SHAREHOLDERS' FUNDS	<u>4,123,792</u>	<u>3,117,328</u>	<u>2,562,913</u>	<u>1,984,467</u>	<u>1,538,550</u>
Minority interest	23,656	29,384	12,593	9,119	8,349
	<u>4,147,448</u>	<u>3,146,712</u>	<u>2,575,506</u>	<u>1,993,586</u>	<u>1,546,899</u>

FIVE-YEAR FINANCIAL SUMMARY - BANK

	2001 N'000	2000 N'000	1999 N'000	1998 N'000	1997 N'000
Gross earnings	6,840,527	5,312,400	3,257,011	2,639,205	2,654,386
Profit on ordinary activities before taxation	2,050,323	1,311,163	852,206	835,004	1,030,895
Taxation	(546,629)	(292,834)	(217,767)	(208,792)	(236,860)
Profit on ordinary activities after taxation	1,503,694	1,018,329	634,439	626,212	794,035
Extra-ordinary income	-	-	240,337	-	-
Profit after taxation and extra-ordinary item	1,503,694	1,018,329	874,776	626,212	794,035
Earnings per share (adjusted)	100k	68k	42k	42k	53k
Dividend per share (adjusted)	40k	33k	22k	13k	20k
ASSETS					
Cash and short-term funds	16,683,277	8,401,260	4,740,707	5,694,583	4,222,871
Investments	5,706,059	5,489,557	2,988,081	1,580,067	3,699,263
Loans and advances	12,073,119	8,087,278	7,967,295	7,082,942	5,798,609
Other facilities	2,844,084	2,508,413	-	-	-
Advances under finance leases	-	22,531	40,743	43,006	10,710
Other assets	2,061,769	6,376,758	1,332,021	1,264,785	220,736
Equipment on lease	110,729	256,979	120,590	208,507	200,000
Fixed assets	1,340,601	936,235	888,524	770,111	594,632
	40,819,638	32,079,011	18,077,961	16,644,001	14,746,821
LIABILITIES					
Deposits and other accounts	24,139,710	15,461,727	10,368,905	9,812,499	9,231,401
Other facilities	2,872,812	2,533,750	-	-	-
Other liabilities, including tax and dividend payable	9,866,068	11,046,180	5,195,031	4,868,253	3,978,383
	36,878,590	29,041,657	15,563,936	14,680,752	13,209,784
NET ASSETS	3,941,048	3,037,354	2,514,025	1,963,249	1,537,037
SHAREHOLDERS' FUNDS					
Share capital	750,000	750,000	750,000	500,000	200,000
Statutory reserve	2,303,464	1,852,356	1,343,323	1,212,107	962,107
Bonus shares reserve	-	-	-	250,000	300,000
Small scale industry reserve	205,032	-	-	-	-
Retained profit	682,552	434,998	420,702	1,142	74,930
	3,941,048	3,037,354	2,514,025	1,963,249	1,537,037



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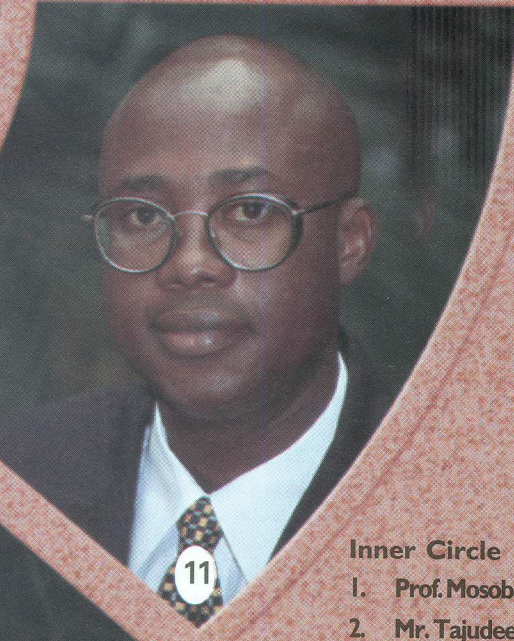
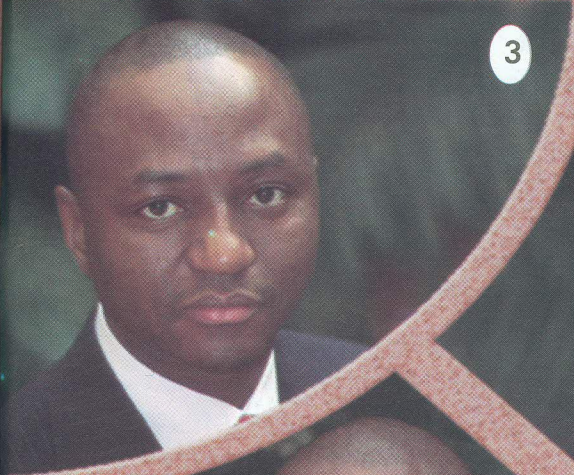
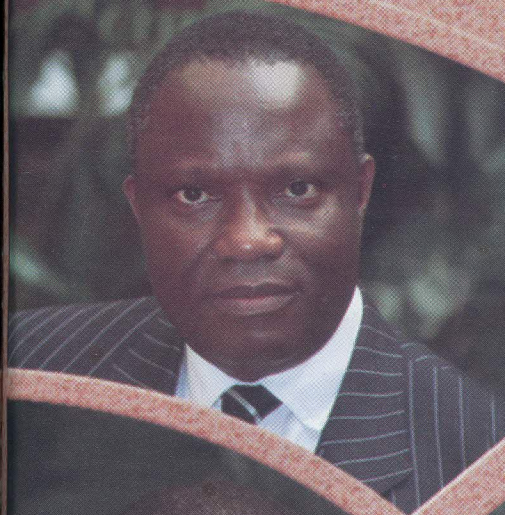


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Inner Circle

- 1. **Prof. Mosobalaje O. Oyawoye** (Chairman)
- 2. **Mr. Tajudeen A. Adeola** (Managing Director)
- 3. **Mr. Olutayo Aderinokun** (Deputy Managing Director)

Outer Circle

- 4. **Mr. Victor Osibodu** (Director)
- 5. **Alhaji Mohammed Jada** (Director)
- 6. **Mr. Adetokunbo Adesanya** (Director)
- 7. **Owelle G. P. Chikelu** (Director)
- 8. **Mr. Herbert Wigwe** (Executive Director)
- 9. **Mr. Aigboje Aig-Imoukhuede** (Executive Director)
- 10. **Mr. Olusegun Agbaje** (Executive Director)
- 11. **Mr. Kolapo Omidire** (Company Secretary)

SHAREHOLDERS' INFORMATION

The Bank was registered as a private company on 20 July, 1990. It became a public limited liability company on 2 April, 1996, and its shares were listed on the Nigerian Stock Exchange on 9 September 1996. Since the listing, the Bank has paid dividends and issued bonus shares as indicated hereunder:

DIVIDEND

Financial Year Ended	Dividend No.	Final or Interim	Gross Unclaimed Amount	Amount Paid Per 50 kobo share
28/02/97	10	Interim	NIL	25 kobo
28/02/97	11	Final	₦1,855,288.91	50 kobo
28/02/98	12	Interim	₦7,805,879.22	10 kobo
28/02/98	13	Final	NIL	10 kobo
28/02/99	14	Interim	₦481,187.75	7 kobo
28/02/99	15	Final	₦6,813,629.04	12 kobo
29/02/00	16	Interim	₦7,320,004.86	10 kobo
29/02/00	17	Final	₦9,745,265.02	23 kobo
28/02/01	18	Interim	₦12,384,643.00	12 kobo

SCRIP ISSUE

Financial Year Ended	To Shareholders as at	Amount Capitalised	Ratio
28/02/97	30/06/97	₦300,000,000	3 for 2
28/02/98	06/07/98	₦250,000,000	1 for 2

UNCLAIMED DIVIDENDS/CERTIFICATES

Our records indicate that some dividend warrants and bonus share certificates have been returned unclaimed for various reasons. A list of unclaimed dividends for dividend payment number 17 is produced in the enclosed Shareholders' Bulletin. Please contact the Registrar (United Securities Limited, Nige House, 3-5, Odunlami Street, Lagos) for a reissue of any unclaimed dividend warrant, or unclaimed certificate.

PROXY FORM

■ GUARANTY TRUST ■

GUARANTY TRUST BANK PLC

RC 152321

11TH ANNUAL GENERAL MEETING to be held at the **Banquet Hall, Le Meridien Eko Hotel, Victoria Island, Lagos**, on 16 May, 2001, at 11:00 a.m.

I/We..... being a member/ members of Guaranty Trust Bank PLC

hereby appoint* or failing him Prof. M. O. Oyawoye or failing him Mr. T. A. Adeola, as my/our proxy to attend and vote for me/ us and on my/our behalf at the Annual General Meeting of the Bank to be held on 16 May, 2001, and at any adjournment thereof.

Dated this.....day of.....2001

Signature of shareholder.....

Name of shareholder.....

NUMBER OF SHARES:		
RESOLUTIONS	FOR	AGAINST
To declare a dividend		
To re-elect Directors		
To authorise the Directors to fix the Auditors' remuneration		
To elect/re-elect Audit Committee members		
To fix Directors' remuneration		
To increase share capital		
To authorise offer/rights		
To alter articles		
Please indicate with an "X" in the appropriate box how you wish your votes to be cast on the resolutions set above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.		

ADMISSION CARD

Annual General Meeting to be held on 16 May, 2001, at the Banquet Hall, Le Meridien Eko Hotel, Victoria Island, Lagos, at 11:00 a.m.

Name of shareholder (in BLOCK CAPITALS).....

Number of Shares.....

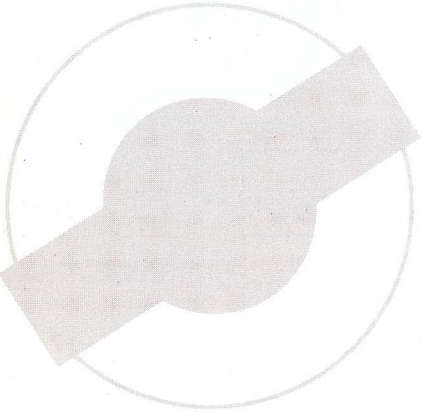
IMPORTANT:

- Before posting the above form of proxy, please tear off this part and retain it. A person attending the Annual General Meeting of the Bank or his proxy should produce this card to secure admission to the meeting.
- A member of the Bank is entitled to attend and vote at the Annual General Meeting of the Bank. He is also entitled to appoint a proxy to attend and vote instead of him, and, in this case, the above card may be used to appoint a proxy.
- In line with the current practice, the names of two of the Directors of the Bank have been entered on the form of proxy to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked*) the name of any person, whether a member of the Bank or not, who will attend the meeting and vote on your behalf instead of one or other of the directors named.
- The above form of proxy, when completed, must be deposited at the office of the Registrar, **United Securities Limited**, Niger House, 3-5 Odunlami Street, Lagos, not less than 48 hours before the time fixed for the meeting.
- It is a requirement of the law under the Stamp Duties Act, Cap. 411, Laws of the Federation of Nigeria, 1990, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear a stamp duty of three (3) kobo.
- If the form of proxy is executed by a Company, it should be sealed under its Common Seal or under the hand and Seal of its attorney.

Signature of the person attending.....

AFFIX
POSTAGE
STAMP
HERE

The Registrar,
United Securities Limited,
Niger House,
3-5, Odunlami Street,
Lagos



CORPORATE INFORMATION

EXECUTIVE OFFICE

Adeola Fola	-	MD
Aderinokun Tayo	-	DMD
Ijeh Ben	-	DM

COMMERCIAL BANKING GROUP

Ogundare Jide	-	DGM
Habib Abba	-	AGM
Nwuke Okey	-	SMGR
Odedina Lola	-	MGR
Agbede Bolaji	-	MGR
Ogbonnewo Segun	-	MGR
Yusuf Jamiu	-	MGR
Kabir Usman	-	MGR
Jenrola Tunde	-	MGR
Lawal Jubril	-	MGR
Ezeobi Stanis	-	MGR
Ezechukwu Ikenna	-	MGR
Ogundipe Kehinde	-	MGR
Alabi Adewuyi	-	MGR
Sadipe Tolu	-	DM
Alonge Arese	-	DM
Olabisi Bayo	-	DM
Okeke Arinze	-	DM
Aroh Santhus	-	DM
Asibor Robert	-	DM
Owelle Bolude	-	DM
Shuaib Dan	-	DM
Bankole-Odusina Deji	-	DM

INVESTMENT BANKING GROUP

Olufowoshe Ebenezer	-	GM
Runsewe Tosin	-	SMGR
Oyeleke Morayo	-	DM
Okonkwo Azubuike	-	DM

PUBLIC SECTOR GROUP

Aig-Imoukhuede Aigboje	-	ED
Bello Farouk	-	SMGR
Njoku Ifeanyi	-	DM

TECHNOLOGY UNIT

Bammeke Ronke	-	DGM
Mosugu Aaron	-	MGR
Ogunbekun Dayo	-	MGR
Ogunleye Taye	-	DM
Fabunmi Yomi	-	DM

INSTITUTIONAL BANKING GROUP

Wigwe Herbert	-	ED
Ogunmekan Dolapo	-	AGM
Harris-Eze Nkiru	-	AGM
Oyediji Adebawale	-	MGR
Odulate Segun	-	MGR
Inaingo Douglas	-	DM
Obiekwe Obidi	-	DM
Salisu Lawal	-	DM

PAYMENT SYSTEMS GROUP

Agbaje Segun	-	ED
Kuye Aderonke	-	MGR
George-Taylor Akinola	-	MGR
Osinuga Simi	-	DM

SETTLEMENTS GROUP

Olusoga Mosun	-	GM
Babalola Bose	-	DM
Aderoju Muyiwa	-	DM
Kola-Daisi Dele	-	DM

SYSTEMS & CONTROL GROUP

Echeozo Cathy	-	DGM
Uwakwe George	-	MGR
Arasi Kunle	-	MGR

TRANSACTION SERVICES GROUP

Bello Sadiq	-	AGM
Okeke Ifeatu	-	MGR
Orogun Dan	-	MGR
Odunnowo Bunmi	-	DM
Ayodele Bolaji	-	DM
Owolabi Lanre	-	DM

GENERAL INTERNAL SERVICES & EXTERNAL AFFAIRS GROUP

Omidire Kolapo	-	DGM
Giwa Joke	-	MGR
Ajayi Femi	-	MGR
Nyamali Nicholas	-	DM
Ogunbiyi Sola	-	DM
Akinmolayan Funsho	-	DM

FIN. CONTROL & RISK MGT GROUP

Osuntoki Titi	-	AGM
Asupoto Tayo	-	MGR
Olagbaju Tunde	-	DM

HUMAN RESOURCES & TRAINING UNIT

Araoye Khafilat	-	AGM
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CORPORATE DIRECTORY

OVERSEAS CORRESPONDENT BANKS

ANZ Bank, London
Citibank (London & New York)
Standard Chartered Bank (London & New York)

CORPORATE ADDRESSES

HEAD OFFICE: PLURAL HOUSE
Plot 1669, Oyin Jolayemi Street
P. O. Box 75455
Victoria Island, Lagos
Tel: 01-2622650-69
Fax: 2622698, 2622699
Telex: 23380 GT Bank NG

Internet Address: www.gtbplc.com
SWIFT Address: GTBINGLA XXX
E-mail: corpaff@gtbplc.com

BRANCHES

ABA

28, Aba-Owerri Road,
Aba, Abia State.
Tel: 082-220560,
224033, 225726.

ABEOKUTA

IBB Boulevard,
Ibara,
Abeokuta, Ogun State.

ABUJA

Plot 1072,
J.S. Tarka Street,
Garki, Area 3, Abuja.
Tel: 09-2346250-4,
2346301, 2346302,
2346048-9.

AKURE

16 Oba-Ile Owo Road,
P. O. Box 3518,
Akure, Ondo State.
Tel: 034-244794-6.

APAPA

Doyin House
4, Commercial Avenue
Apapa, Lagos.
Tel: 01-5451050-7.
Fax: 01-5451059.

ASABA

300 Nnebisi Road
P. M. B 95082, Asaba,
Delta State.
Tel: 056-282687,
282688.

BROAD STREET

82/86, Broad Street
Lagos.
Tel: 01-2640257-8,
2666232, 2667941,
2665053.
Fax: 01-2641100.

BENIN

35B Sapele Road,
P. O. Box 122862,
Benin Edo State.
Tel: 052-450204, 257339.

ENUGU

I Ogui Road,
P. M. B. 1572,
Enugu, Enugu State.
Tel: 042-253016, 254085,
254072, 254073.

IBADAN

11B, Alhaji Jimoh
Odutola Road,
Dugbe, Ibadan,
Oyo State.
Tel: 02-2413904,
2413903, 2413795,
2413779, 2413739,
2413607, 2413780,
2413889, 2413576,
2413677.

IKEJA

80/82, Allen Avenue
Ikeja, Lagos.
Tel: 01-900020,
4900025-9.
Fax: 01-4936444

ILORIN

I Wahab Folawiyo Road
(Formally Unity Road)
P. M. B. 1392, Ilorin,
Kwara State
Tel: 031-222913, 222900,
222869, 222859, 222840,
222924.

JOS

Plot 69, Liberty Dam
Road
Liberty Boulevard, Jos
Plateau State.
Tel: 073-463629-32,
463635.

KADUNA

Plot 7-10,
Murtala Muhammed
Square, Kaduna.
Tel: 062-240103-7.
Fax: 062-240109.

KANO

145, Murtala Muhammed
Way, Kano.
Tel: 064-638851-3,
642148.
Fax: 064-643220.

MAIDUGURI

11 Baga Road,
P.M.B. 1087,
Baga Road Post Office,
Maiduguri, Borno State.
Tel: 076-233711, 342511.

ONITSHA

2, Old Cemetery Road,
Onitsha, Anambra State.
Tel: 046-219114, 219014,
214445, 219344, 218256,
090-500496.

PORT HARCOURT

Plot 47,
Trans Amadi Layout,
Port Harcourt, Rivers State.
Tel: 084-231424,
090-54013.
Fax: 084-237513.

UYO

26 Aka Road,
Uyo, Akwa Ibom State.
Tel: 085-203361, 203394.

VICTORIA ISLAND

The Plaza,
6, Adeyemo Alakija
Street,
Victoria Island, Lagos.
Tel: 01-2601760-9.
Fax: 2616963.

EFFURUN - WARRI

Plot 85, Effurun G.R.A.
Effurun - Warri Road,
Warri, Delta State
Tel: 053-256406.
Fax: 053-256407.

YENAGOA

Baracuda Square
Ekeki - Epie Area
P. M. B. 78 Yenagoa,
Bayelsa State.

